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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )

Policies and Rules Implementing )  
the Telephone Disclosure and )  
Dispute Resolution Act )

CC Docket No. 93-22  
RM-7990

PETITION FOR RECONSIDERATION

I. INTRODUCTION

U S WEST Communications, Inc. ("U S WEST"), through counsel and pursuant to the Federal Communications Commission's ("Commission" or "FCC") Rule 1.429,<sup>1</sup> herein requests that the Commission reconsider, in part, the effective date established for compliance with Commission Rule 64.1510(a)(2)(ii).<sup>2</sup> Should comments filed with regard to this Petition For Reconsideration ("Petition") not demonstrate sufficient general industry inability to meet said effective date, then U S WEST requests a

<sup>1</sup>47 C.F.R. § 1.429.

<sup>2</sup>See 47 C.F.R. § 64.1510(a)(2)(ii); Policies and Rules Implementing the Telephone Disclosure and Dispute Resolution Act, CC Docket No. 93-22, RM-7990, Report and Order, FCC 93-349, rel. Aug. 13, 1993 ("TDDRA Order"), at ¶ 108. Compare Telephone Disclosure and Dispute Resolution Act ("TDDRA"), 47 U.S.C. § 228(d)(4)(A). Literally, the TDDRA, as well as the Commission's Rule, apply only to those "common carrier[s] assigning a telephone number to a provider of interstate pay-per-call services and offering billing and collection services to such provider." TDDRA Order at Appendix B at 5. U S WEST does neither. However, as explained more fully below, U S WEST does act as a billing agent for interexchange carriers ("IXC") who do both. Thus, out of caution, and because of the residual compliance obligations imposed on billing common carriers by 47 U.S.C. § 228(e)(1), U S WEST is pursuing its own Petition.

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limited waiver as to its own compliance obligation until June, 1994.

## II. DISCUSSION

In the Commission's TDDRA Order, the Commission established certain effective dates. Some of the Commission's promulgated Rule provisions were to become effective 30 days after the publication of the TDDRA Order in the Federal Register.<sup>3</sup> The requirements pertaining to billing, however, are to become effective on November 1, 1993,<sup>4</sup> the date established as the effective date for the billing provisions as pronounced by the Federal Trade Commission ("FTC").<sup>5</sup>

The Commission's TDDRA Order and correspondent Rules,<sup>6</sup> require that 900 service charges appear on a separate portion of the bill distinct from those charges involving common carrier

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<sup>3</sup>See TDDRA Order at ¶ 108.

<sup>4</sup>See id.

<sup>5</sup>See FTC Trade Regulation Rule Pursuant to the Telephone Disclosure and Dispute Resolution Act of 1992, undated (accompanying FTC News Release dated July 27, 1993) ("FTC TDDRA Rule"), Statement of Basis and Purpose, V. Effective Date, at 184.

<sup>6</sup>See TDDRA Order at ¶¶ 69, 71, 73 (the Commission there adopts the TDDRA requirement (see 47 U.S.C. § 228(d)(4)(A)) that "bills issued by common carriers must show [900 service charges], in a portion of the bill separate from ordinary telephone charges;" 47 C.F.R. § 64.1510(a)(2)(ii) (900 service charges should appear in "a part of the bill that is identified as not being related to local and long distance telephone charges")).

charges, such as Message Toll Service ("MTS") and basic exchange. (The FTC's rules contain similar requirements.<sup>7</sup>)

U S WEST is not directly in the business of billing for interstate 900 service providers. However, in an agency capacity, we do bill for IXC's, pursuant to billing and collection agreements. Those IXC's, in turn, have billing and collection agreements with various 900 service providers.

U S WEST's current billing and collection agreements and systems allows U S WEST to be in compliance by November 1, 1993, with the "identified as separate charges" requirement on behalf

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<sup>7</sup>See 16 C.F.R. § 308.5(j)(1) (requiring that the pay-per-call provider assure that "any billing statements for their pay-per-call service charges" be displayed "in a part of the consumer's bill that is identified as not being related to local and long distance telephone charges") (FTC TDDRA Rule at 122).

The TDDRA itself requires dual compliance obligations based on both the FCC's rules and the FTC rules. It mandates, under the Communications Act amendment provisions, that a carrier assigning a 900 prefix to a pay-per-call provider require (via tariff or contract) that the pay-per-call provider comply with both FCC and FTC rules. See 47 U.S.C. § 228(c)(1). A common carrier providing billing and collection for a pay-per-call service can be held liable if the common carrier continues to provide billing and collection service when the carrier either knew or reasonably should have known that the service was being provided in violation of either the FCC's or FTC's rules. See id. Because U S WEST is a carrier providing billing and collection for pay-per-call services (albeit in an agency capacity) and because it is clear that the pay-per-call providers utilizing AT&T's 900 service will not be able to assure compliance with the mandates of FTC Rule 16 C.F.R. § 308.5(j)(1) (referenced above), U S WEST has reason to know that, without a reconsideration or a grant of a waiver, the pay-per-call provider will not be in compliance with the FTC obligations. Unless U S WEST's instant Petition or request for waiver is granted, U S WEST would be compelled, because of the operation of 47 U.S.C. § 228(e)(1), to cease billing for AT&T's 900 pay-per-call services. Such action would cause unnecessary and potentially severe market disruption and consumer disruption of service.

of all the IXC's that we bill for except one: AT&T. We will not be able to show AT&T 900 service charges on our billing statement separate from other charges until some time in 1994, probably in the second quarter.<sup>8</sup>

Over the past few years, U S WEST has worked cooperatively with various IXC's to bill their 900 service charges as they deemed most appropriate to their markets and customer base. Most IXC's desired to have their 900 service charges appear on a separate portion of the bill. Thus U S WEST worked to coordinate our billing/computer systems with their billing/computer systems to allow for that kind of separation.<sup>9</sup> Thus, with regard to these carriers, U S WEST will be able to comply (on the IXC's' behalf) with the Commission's November 1, 1993, effective date requirement for "separation."

U S WEST has not, however, historically separated AT&T's 900 service charges from its other service charges on a customer's bill. And, U S WEST's current computerized systems are not aligned with AT&T's billing and collection system (i.e., Billing

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<sup>8</sup>Also, in the consequential treatment and collection process, U S WEST's systems will not be able to separate out 900 service charges in our notifications to customers demanding payment for AT&T services. While the notification will not be able to reflect the amounts due and owing separately, the collections process is being manually manipulated such that a customer's basic and toll service will not be affected by the non-payment of 900 service charges. Thus, U S WEST will be able to assure compliance, in the substantive sense, with the obligation that a customer's basic and toll service not be affected by non-payment of 900 service charges. See 47 C.F.R. § 64.1507.

<sup>9</sup>The "separation" has (due to U S WEST's system configurations) always resulted in a separate bill page.

Inquiry and Collection ("BAC")) such that such "separation" can occur or be recognized.

As a result, in most of U S WEST's states,<sup>10</sup> AT&T's 900 charges are intermingled with other charges on its bill page. In order for U S WEST to "separate" out those charges, U S WEST will have to undergo those activities associated with creating a separate Carrier Identification Code ("CIC") (and a separate bill page) for such charges.<sup>11</sup>

The activities involved are substantial. U S WEST bills end users via a billing system known as Customer Records Information System ("CRIS"). The system, as it is currently configured, actually represents three separate billing systems that were in place prior to the time that U S WEST consolidated its three telephone operating companies into one integrated organization.

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<sup>10</sup>In Minnesota, U S WEST does separate out AT&T's 900 charges from other charges on its bill page. However, the notification sent to customers in the event of non-payment does not differentiate between the charges due and owing for toll services from those due for 900 services. Also, as a result of certain Iowa Public Service Commission action taken in 1992, U S WEST was required to separate IXCs' 900 service charges from other charges, if such charges were to be included in U S WEST's bill, both for purposes of billing and collection treatment. U S WEST was able to change its systems, for Iowa billing only, to accommodate that regulatory requirement.

Thus, in certain respects, U S WEST will be able to comply with the Commission's November 1, 1993, effective date with regard to those interstate 900 service charges that appear on AT&T's bills in Minnesota and Iowa.

<sup>11</sup>U S WEST is aware that the Commission's TDDRA Order does not require a separate bill page. However, U S WEST is not able to create "separateness" in the billing presentation without creating such a separate bill page.

When a regulatory commission order is issued that impacts U S WEST's CRIS system, the work activities necessary to bring the system into compliance are numerous. Within each of the three regional CRIS systems, there are numerous subsystems dependent on the functionality to be performed. The CRIS project manager in each region (Central, Eastern, and Western) must work with programmers in each subsystem to ensure all impacted systems are identified and to define the time necessary to design, code, and test the subsystems with regard to the changes required. When multiple subsystems are affected (as they are with regard to the Commission's TDDRA Order), synchronization of the subsystem-to-subsystem testing is required to ensure accuracy and quality.

For U S WEST to be able to bill end users separately for AT&T's 900 calls via our CRIS system, we will be required to establish a pseudo-CIC for AT&T's 900 billing. This separation must be identifiable through many of the subsystems of CRIS, including those affecting the Rating, Bill Presentation, Treatment, Bulk Billing, and Customer Service Representative Bill Screens.

Additionally, U S WEST and AT&T have established mechanization procedures between U S WEST and AT&T's BAC system, which allow for transfer of adjustment information from AT&T customer inquiries to U S WEST (as AT&T's billing agent). This mechanized system is not currently able to receive two CIC codes (which will be necessary to allow for separate 900 billing). Thus, U S WEST will be required to give AT&T a "summary record"

which will combine all 900 messages along with their 800 and MTS messages, as well as a "detail record" which separates the 900 from the 800 and MTS calls. This requirement necessitates extensive coding for the Billing subsystem.

Given the extensive nature of the activities involved, and the number of resources available to perform the activities, U S WEST cannot complete the above-described activities in our twelve remaining states by November 1, 1993. However, we expect that all work should be completed on the project by the second quarter of 1994. After that, U S WEST would be in full compliance with the Commission's TDDRA Order and rules.

### III. CONCLUSION

U S WEST has tried, informally, to determine if other local exchange carriers ("LEC") will encounter problems similar to those affecting U S WEST. We have been unable to make any definitive determination. Thus, U S WEST postures our current request as a Petition for Reconsideration.

Should the comments filed in response to this Petition demonstrate that no other LEC will face similar difficulties, U S WEST requests that the Commission grant us a limited waiver of the November 1, 1993, effective date for "separation" as to AT&T's 900 service charges.<sup>12</sup>

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<sup>12</sup>The November 1, 1993, effective date is a Commission-established effective date, not a statutory mandate. The TDDRA itself contains only two mandated requirements with regard to time: one with regard to the time in which certain agency action  
(continued...)

We believe that a granting of such a waiver, limited as it is, will not adversely affect the public interest nor do violence to the policy pronounced in the TDDRA or the Commission's consequent TDDRA Order. 900 services have been around for some time, and will continue to be provided. Various carriers contract with such providers, and U S WEST bills 900 services on behalf of a number of IXCs. With respect to all non-AT&T billing, U S WEST will be in full compliance with the Commission's billing requirements on November 1, 1993. And, after June of 1994, U S WEST will be in full compliance as to all IXCs. Such a limited waiver cannot severely compromise either

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<sup>12</sup>(...continued)  
must be completed (i.e., within 270 days, the affected regulatory agencies (this Commission and the FTC) were to promulgate rules regarding the substance of the TDDRA (see TDDRA, 47 U.S.C. § 228(b), (c))); and second, certain disclosures are required to be made within 60 days after the final issuance of the FCC's order (see id. at § 228(d)(3)). With regard to the requirement pertaining to 900 charges appearing on a separate portion of the bill, the Commission could have established an effective date in 1994, had it determined it appropriate.

In establishing its effective date for 900 service charge billing separation, the Commission, apparently, took its lead from the FTC. The FTC, noting that certain commenting parties had indicated that some lead time was necessary to get into compliance, established an effective date of November 1, 1993. See FTC TDDRA Rule at 184. U S WEST will, shortly, be filing with the FTC a Petition for Exemption or to Amend the Rules. We will be asking for the same substantive relief as requested herein.



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the public interest or the Congressional policies as pronounced  
in the TDDRA.

Respectfully submitted,

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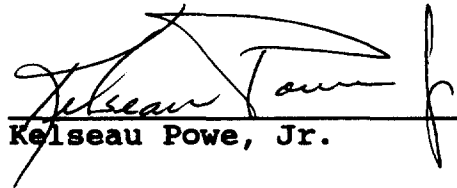
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September 24, 1993

**CERTIFICATE OF SERVICE**

I, Kelseau Powe, Jr., do hereby certify that on this 24th day of September, 1993, I have caused a copy of the foregoing **PETITION FOR RECONSIDERATION** to be served via first-class United States Mail, postage prepaid, upon the persons listed on the attached service list.

  
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